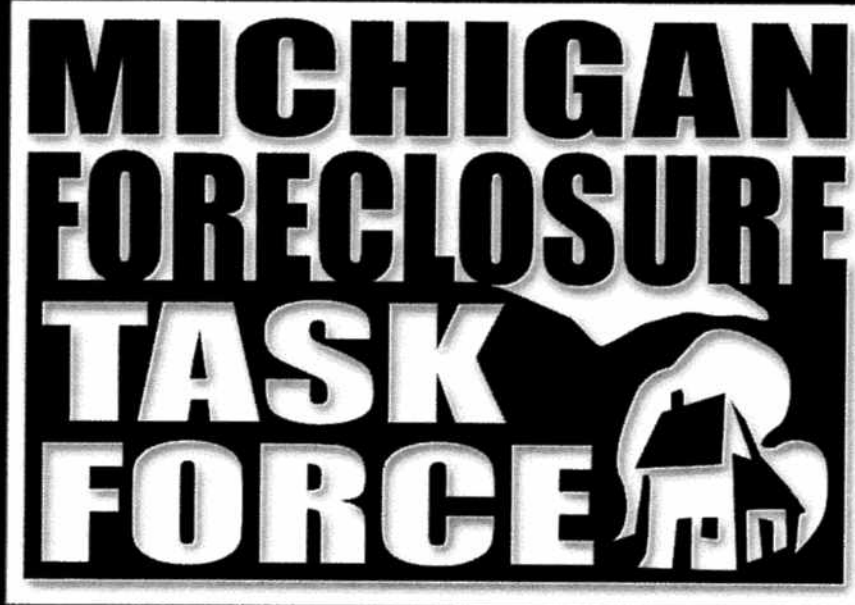


submitted by
Steve Tobocman

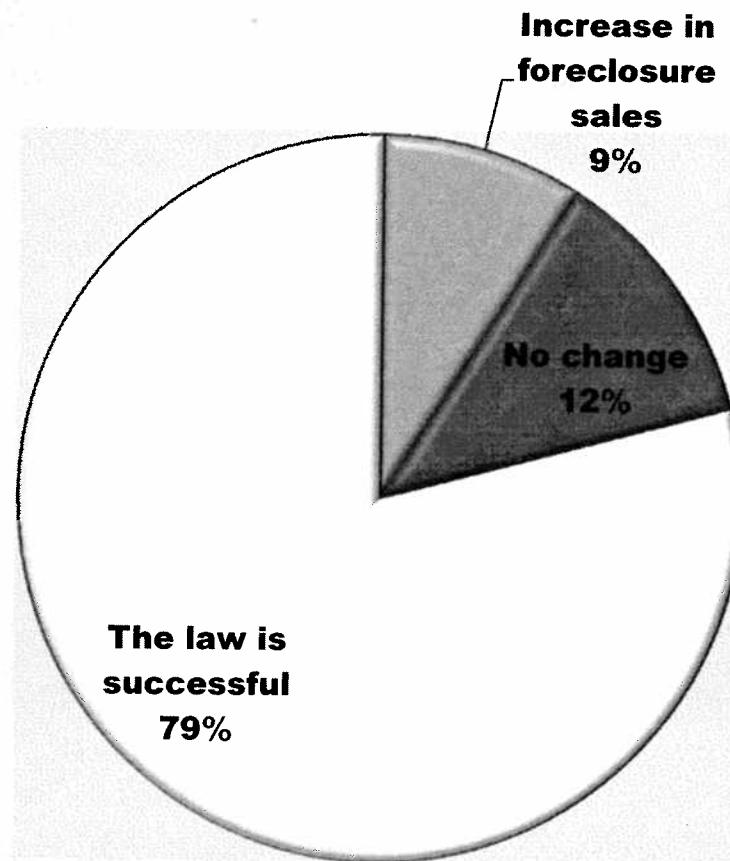


90-Day Law Testimony

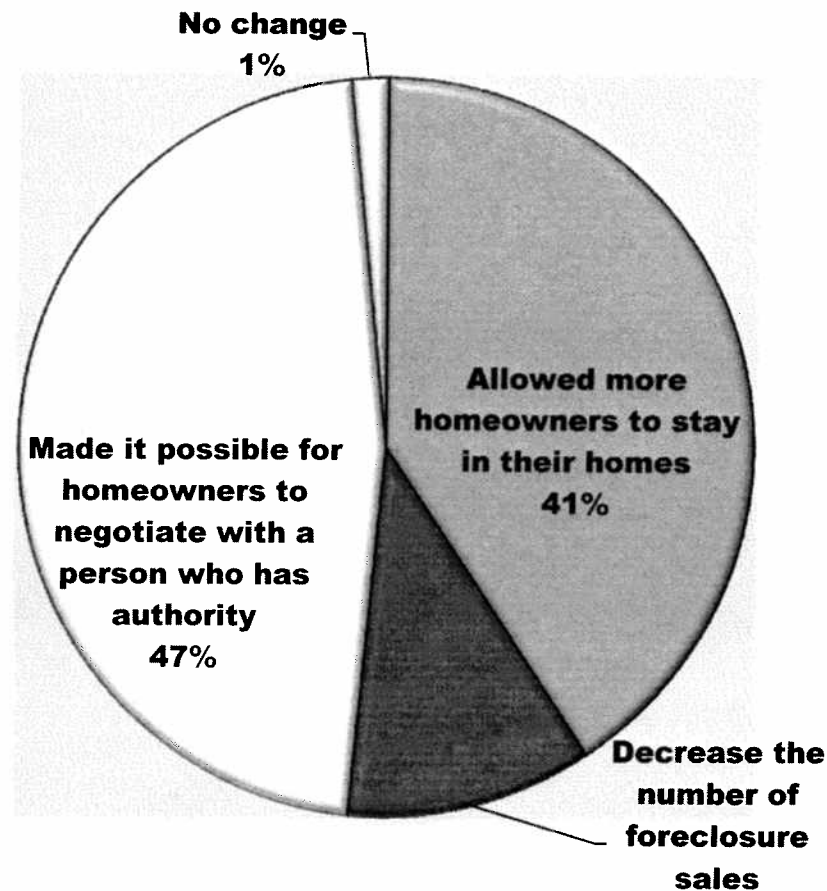
90 Day Law Survey

- A survey of more than 80 Michigan-based HUD- and/or MSHDA-certified foreclosure counselors and legal service attorneys was conducted in April 2011 by the Michigan Foreclosure Task Force. Highlights of the findings are included in this presentation.

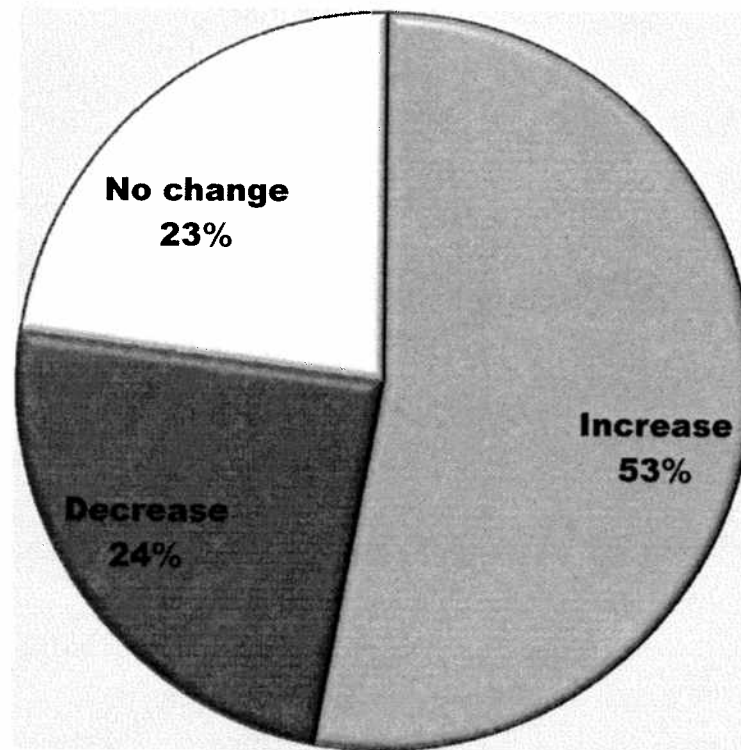
The Law has had a positive impact: 79% of respondents said the law is successful.



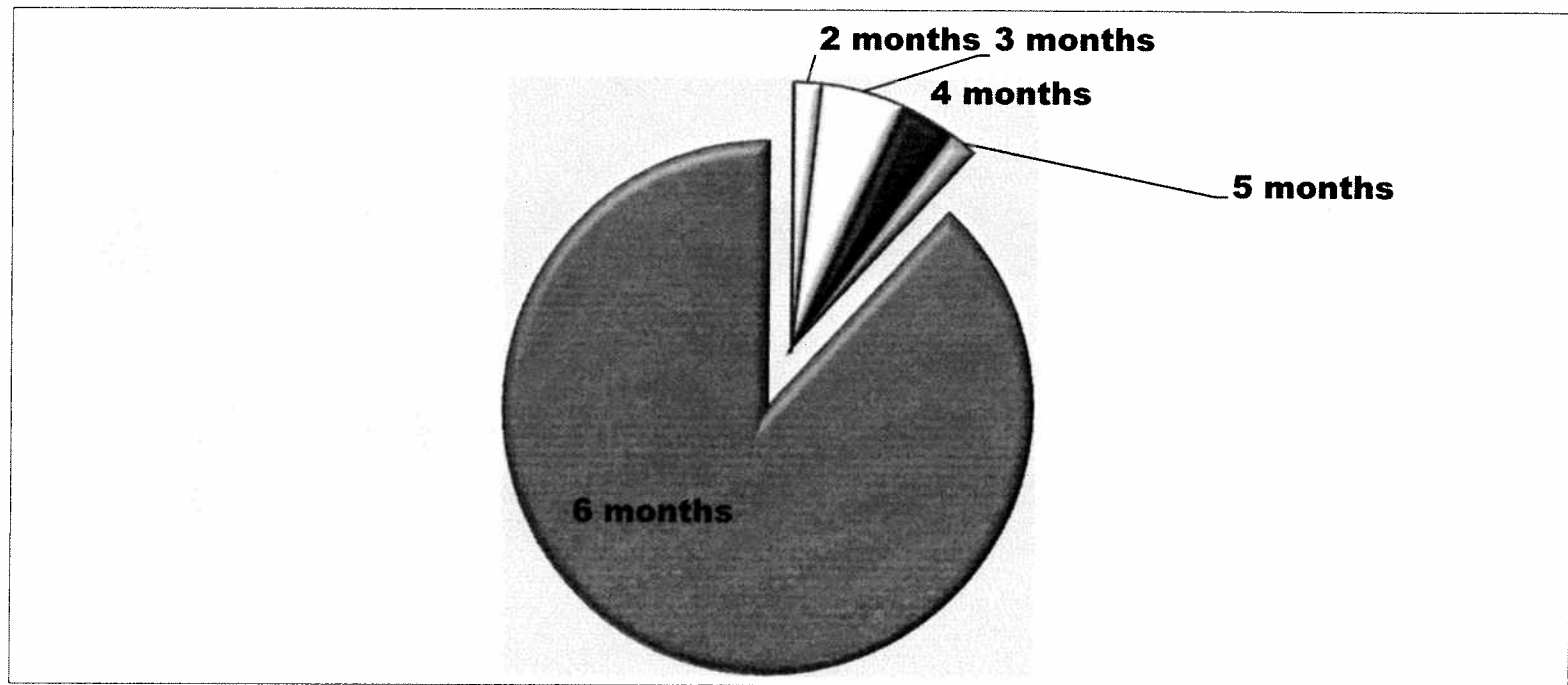
The Law has had a positive impact: When asked how, 47% said it made it possible for homeowners to negotiate with their lender. 41% said it allowed more homeowners to stay in their home. 11% said it decreased foreclosure sales.



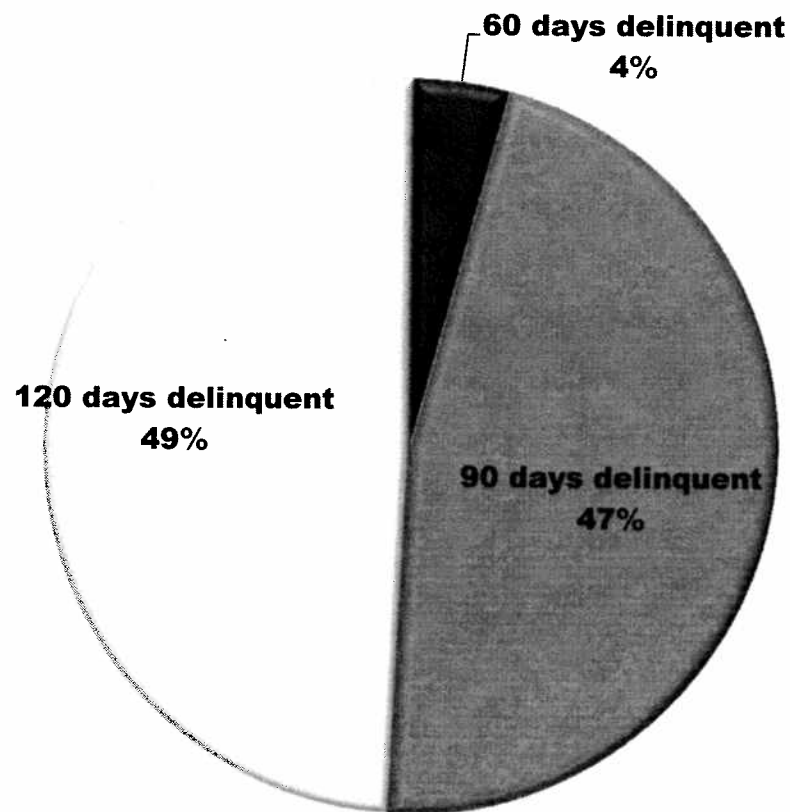
Foreclosure rates are not slowing: 76% of respondents said the number of foreclosures have either increased or stayed the same for the past 9 months.



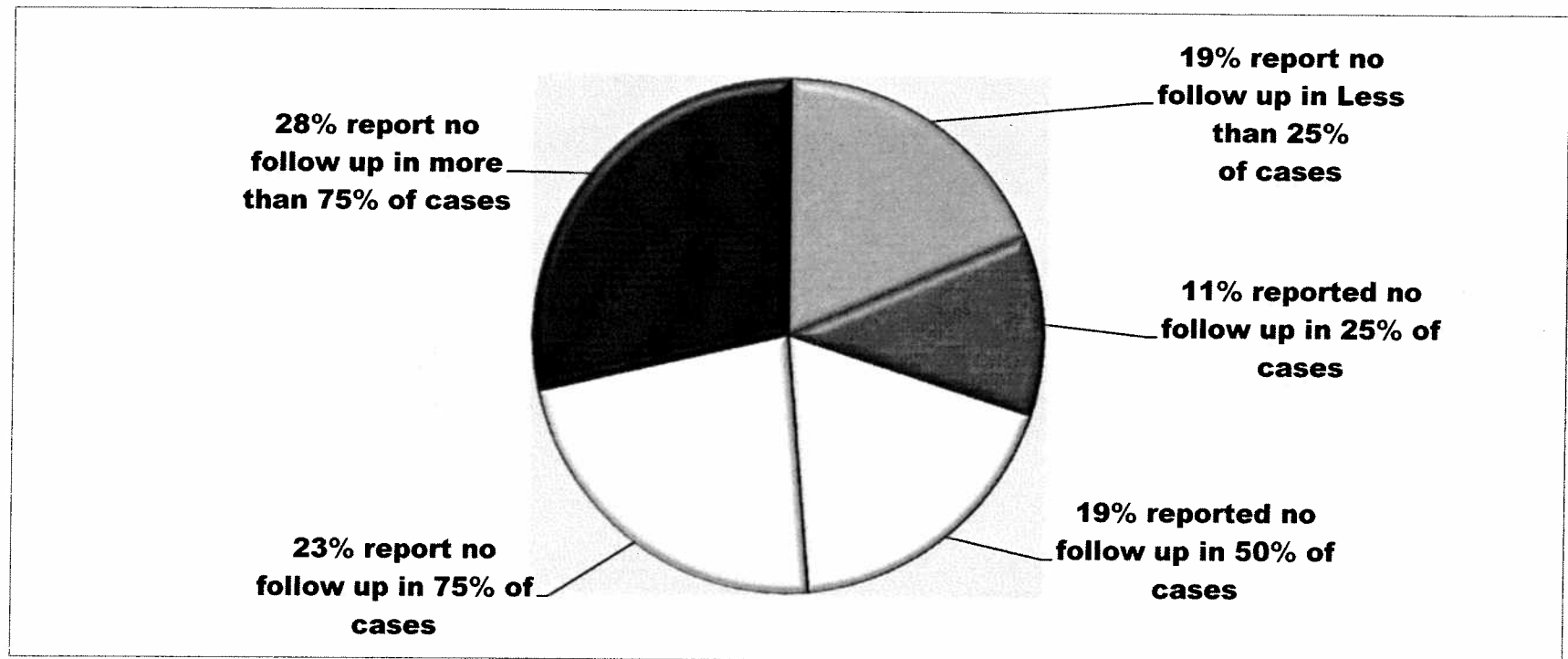
Homeowners make good use of the 6-month redemption period that provides them shelter, time to arrange for alternative housing and/or to come up with the money to redeem the home. 88% of respondents said that homeowners stay, on average, in the home all six months of the minimum redemption period.



Lenders are waiting to send out the default notice and the 90-day letter. 96% of respondents said clients are typically 90 days or more delinquent when they receive a default letter offering the pre-foreclosure negotiation.



The 90-day law could be improved by enforcing the law's intent that lenders and servicers respond to homeowners' requests for modifications. 70% of respondents said that in 50% or more of their cases, the lenders/servicers don't follow up at all after the mandatory meeting.





The 90-day law could be improved by insuring that the lenders and servicers are represented by a designated agent with authority to make decisions.

77% of respondents said that in more than half of their cases, the person attending the original meeting has not had the authority to make decisions on behalf of the lender or servicer.

74% of the respondents reported that the person joining such meetings by phone do not have the authority to act.

The 90-day law could be improved by insuring that the lenders and servicers are represented by a designated agent with authority to make decisions. 84% of respondents said that in 25% or less of their cases, has there been an immediate decision.

